



STATE PERSONNEL DEPARTMENT

402 W. Washington St., Rm. W161

Indianapolis, Indiana 46204-2261

Telephone: (317) 232-0200

Daniel L. Hackler, Director

May 18, 2009

TO: Local Units of Government
RE: Health Insurance

DUE DATE: June 19, 2009

It is time once again for the local units of government throughout Indiana to express their interest in the State of Indiana health, dental, and vision plans offered to State employees. The State, at a minimum, intends to offer two high deductible health plans, an indemnity plan, one HMO (a regional HMO offered to ten counties in the southwest portion of the State), one dental plan, and one vision plan. Information about the 2009 plans, including Benefit Plan Summaries and Benefit Plan Descriptions of Coverage, are available for review on our website at <http://www.in.gov/spd/2467.htm>.

Participation in the 2010 plan year, beginning January 1, 2010, is now open. All interested units, including those currently participating, must complete the electronic 2010 Questionnaire on-line and submit the requested preliminary data (items 1 through 4 below) by **June 19, 2009**. This information is necessary for the insurance companies to establish the premiums. *Local units who fail to participate in the information exchange by this date will be ineligible to participate in the plans during the 2010 plan year.* If you feel there is a possibility that your group will be interested in participating in the State plans for the 2010 plan year, you must complete and submit the requested information by **June 19, 2009**.

A response indicating interest does not lock your group into participation during the 2010 plan year. If you wish to compare the State plans to others available to your group, we suggest you begin to investigate your options now. This will allow your group to make informed decisions about plan participation later this year when the binder agreements are sent for signature.

The electronic 2010 Questionnaire can be accessed at <http://www.in.gov/spd/2467.htm>. In addition to completing the questionnaire, you will need to mail or fax (317-232-3011) the following information by **June 19th**:

1. Census data, including age, gender of all eligible participants, and for each participant whether currently enrolled in single, employee/spouse, employee/children, or full family coverage.
2. Forward your most recent insurance carrier billing statements for medical, dental, and vision.
3. Copy of your current Benefit Plan Descriptions or policy(s).
4. Past 24 months claim information by month along with membership by month including large claimants (>\$25,000 paid) with diagnosis and prognosis. For groups with fewer than 100 participants, if claim information is not available, you may submit the Gatekeeper Questionnaire (also available on the website) to the State Personnel Department, attn: Benefits Division, in lieu

of providing claim information. Please note: the Gatekeeper Questionnaire is separate from the electronic 2010 Questionnaire.

Local units should note the following requirements and conditions to participate:

1. A one-time fee of \$20 per member will be charged by the State Personnel Department. State Personnel has made every effort to streamline administrative processes making participation less difficult and more affordable.
2. A minimum contribution level from the local unit of government of at least 25% of the total premium by product (i.e. 25% of the medical insurance premium, 25% of the dental insurance premium and 25% of vision insurance premium).
3. A minimum participation rate of 75% of net eligible employees.
4. One billing will be sent to each participating local unit of government. If there are eligible members not on the payroll such as retirees, or members on leave of absence, the employer will be responsible for collecting the member premium.
5. Each local unit of government will establish a contact person for the carrier and the State Personnel Department.
6. The carrier provides ID cards, claim forms, and Benefit Plan Descriptions.
7. Future renewals will be negotiated with the State, with a notice of benefits and rate changes being mailed to the local units of government.
8. Carriers will be allowed to collect a late payment fee from local units of government who do not pay premiums on a timely basis.
9. COBRA administration will be provided by Anthem for those local units of government who select an Anthem product.
10. Data must be provided by **June 19, 2009** in order to be eligible to participate in the 2010 plan year.
11. Local units may elect to participate annually effective January 1.
12. Direct communications (enrollments, transmission of funds, etc.) will occur between the local employer and carriers.
13. Participating units will be required to sign a one-year binder agreement.
14. All employees of the various local units of government will comprise one group for rating purposes.

We look forward to this opportunity to partner with your local unit to provide quality insurance plans to your employees. Should you have any questions or concerns, please feel free to contact our Benefits Division at 317-232-1167 within Indianapolis or 1-877-248-0007 toll free outside Indianapolis.

Sincerely,



Daniel L. Hackler
Director